

Republic of the Philippines

OFFICE OF THE PRESIDENT**To All To Whom These Presents Shall Come:**

REC'D	04 MAR 2005
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This is to Certify that the annexed is a true copy from the records of this Office of the original, consisting of the Request for Grant of a Philippine Patent Specification & Claims; Abstract and Drawings (if there is any), as originally filed in:

Pending Patent Application of

PAYSETTER INTERNATIONAL INC.3202 C PSEC, Ortigas Center
Ortigas, Pasig City, Philippines

Appl. No. : 1-2004-000064

Filed: Feb. 13, 2004

Inventor(s) : Eduardo Martinez-Miranda

for

Invention: **SYSTEM AND METHOD FOR FACILITATING AIRTIME
VALUE EXCHANGE**

In witness whereof, I
have hereunto affixed my hand
and the seal of the Intellectual
Property Office at Makati City,
Philippines, this 7TH day of
July, 2004


EPIFANIO M. EVASCO
 Director
 Bureau of Patents

Attested:

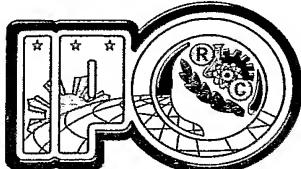

EVELYN M. MATUZAC
 BOP, Records Officer III

Doc. No.: BOP-115

Series of: 2004

Requested by: Messrs. Villaraza, et al.

PRIORITY DOCUMENT
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**INTELLECTUAL PROPERTY OFFICE**

IPO Building, 351 Sen. Gil Puyat Avenue, Makati City, Philippines

Trunk Line: 752-5450 to 65

E-mail: mail@ipophil.gov.ph

Fax: 890-4862

Website: <http://ipophil.gov.ph>

**REQUEST FOR GRANT OF A
PHILIPPINE PATENT**

•04 FEB 13 P14Y

**THE UNDERSIGNED HEREBY REQUEST GRANT OF A
PHILIPPINE PATENT FOR THE SUBJECT APPLICATION.**

(The following is to be filled in by the Intellectual Property Office)	
APPLICATION No.:	
<u>1-2004-008064 pg</u>	
FILING DATE :	
Date of Receipt :	
February 13, 2004	

Box No. F TITLE OF THE INVENTION

SYSTEM AND METHOD FOR FACILITATING AIRTIME VALUE EXCHANGE

Box No. II APPLICANT (WHETHER OR NOT ALSO INVENTOR). Use this box for indicating the applicant or, if there are several applicants, one of them. If more than one person (includes, where applicable, a legal entity) is involved; continue in supplemental box.

The person in this box is (check one only): applicant and inventor applicant only.

applicant and inventor applicant only.

Telephone number:
(including area code)

: Fax Address :

E-Mail address:

Country of nationality: the Philippines

Country of residence:

Box No. III INVENTOR/S. A separate sub-box has to be filled in in respect of each person if the following two sub-boxes are insufficient, continue in the "Supplemental Box." (giving there for each additional person the same indications as those requested in the following two sub-boxes) or by using a "continuation sheet."

The person in this box is (check one only): applicant and inventor

ent and inventor inventor only

DATE MAR 15 2006

Name and address: EDUARDO MARTINEZ-MIRANDA, of the same address

If the person identified
Country of nationality:

The person identified in this sub-box is (check one only): applicant and inventor inventor only

If the person identified in this sub-box is applicant (or applicant and inventor), indicate also:

Country of nationality: Country of residence:

Box No. IV AGENT (IF ANY) OR COMMON REPRESENTATIVE (IF ANY); ADDRESS FOR NOTIFICATIONS (IN CERTAIN CASES) A common representative may be appointed only if there are several applicants and if no agent is or has been appointed. The common representative must be one of the applicants. The following person (includes, where applicable, a legal entity) is hereby/has been appointed as agent or common representative to act behalf of the applicant(s) before the Intellectual Property Office.

Name and address, including postal code:

Telephone number:
(including area code)

Fax No.:

E-mail address:

Box No. V PRIORITY CLAIM (IF ANY). The priority of the following earlier application(s) is hereby claimed:

Country in which it was filed:	Filing Date (month, day, year)	Application No.
(1)		
(2)		
(3)		

Box No. VI SIGNATURE OF APPLICANT(S) OR AGENT OVER PRINTED NAME(S)



EDUARDO MARTINEZ-MIRANDA
Inventor/Chief Financial Officer

If the present Request form is signed on behalf of any applicant by an agent, a separate notarized power of attorney appointing the agent and signed by the applicant is required. If in such case it is desired to make use of a general power of attorney (deposited with the Intellectual Property Office), a copy thereof must be attached to this form.

Box No. VII CHECK LIST (To be filled in by the Applicant)

This application as filed is accompanied by the items checked below

This application contains the following number of sheets:

1. request	_____ sheets
2. description	_____ sheets
3. claims	_____ sheets
4. abstract	_____ sheets
5. drawing(s)	_____ sheets
Total	_____ sheets

- 1. separate notarized power of attorney
- 2. copy of general power of attorney
- 3. priority document(s) (see Box No. V)
- 4. cheques for the payment of fees
- 5. other document(specify)

Figure number _____ of the drawings (if any)
is suggested to accompany the abstract for publication.

SPECIAL POWER OF ATTORNEY

TM 84-9 P350

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, PAYSETTER INTERNATIONAL, INC. (the "Applicant"), a corporation duly organized and existing under the laws of Philippines, with address at 3202 C PSEC, Ortigas Center, Ortigas Avenue, Pasig City, Metro Manila, filed the following patent application with the Intellectual Property Office ("IPO"):

Title : **"SYSTEM AND METHOD FOR FACILITATING AIRTIME
VALUE EXCHANGE"**

Application No. : **1-2004-000064**

Date Filed : **13 February 2004**

NOW, THEREFORE, the Applicant hereby appoints Messrs. VILLARAZA & ANGANGCO, with postal address at 5th Floor, LTA Building, 118 Perea Street, Legaspi Village, 1229 Makati City, Metro Manila, and any of its lawyers who are members in good standing of the Philippine Bar and registered to practice before the IPO, as its attorney-in-fact and agent to prepare, accomplish, sign, execute, deliver, submit, acknowledge, receive, prosecute and monitor the foregoing application with full power of substitution, association, revocation, to make alterations and amendments therein, to receive the Letters Patent, pay the annual fees, and to transact all business in the IPO in connection therewith.

SIGNED at Philippines this 24th day of May, 2004.

PAYSETTER INTERNATIONAL, INC.

By:


DENNIS ANGANGCO DIRECTOR
(Name/Designation of Authorized Signatory)

Director

System and Method for Facilitating Airtime Value Exchange

04 FEB 13 P1:41

Abstract

The invention enhances the functionality of the mobile phone by enabling the user to trade airtime value through an SMS message.

Description of Prior Art

Mobile phone subscribers fall under two general billing arrangements – prepaid and postpaid. Prepaid subscribers buy airtime prior to using a service while postpaid subscribers use the service first and pay afterwards. Airtime value is equivalent to the monetary value loaded and consumed by prepaid and postpaid subscribers.

During the early years of the cellular phone, mobile phone users were all postpaid subscribers. After a few years, prepaid subscription started and began to thrive. As more and more prepaid subscribers got into the system, various means for replenishing or loading airtime appeared. For example, one of the most common means to load airtime value is the prepaid scratch card available in various denominations.

Prepaid subscribers can also load using the Internet, WAP or SMS channels provided by banks and other institutions that are directly linked to the mobile phone carriers. Recently, some carriers have provided subscribers with the facility to buy and transfer airtime for another mobile subscriber, the prerequisite being the sending party's mobile phone is linked to a bank account. After buying and sending airtime load to the recipient, this bank account is debited accordingly.

For prepaid subscribers, these mechanisms have facilitated the airtime replenishment process. However, it is not always as convenient as one might want particularly for the sending party. The reason is that reloading always requires a process of actual conversion of monetary to airtime value. For example, if one reloads from a scratch card, he must first buy a card, place a call to the carriers reloading system and enter card number and password. Another example is a sender reloading another person's phone by using a facility that will debit his bank account and transfer the load to the recipient's phone automatically. In both scenarios, there is a physical conversion from financial to airtime value.

The invention seeks to eliminate this conversion process. The most salient benefit is easier and more ubiquitous reloading process for prepaid subscribers. Although not immediately apparent, a second benefit is the facility it provides subscribers to use airtime value as a means of trade and commerce.

There are three commercial models, person-to person (P2P), business-to-person (B2P or B2C) and business-to-business (B2B). In P2P, airtime value is exchanged between the subscribers' line accounts. For example, subscriber A with an airtime value of ten dollars

transfers a dollar worth of airtime to subscriber B. After the transfer, subscriber A's airtime value will be reduced to nine dollars while subscriber B's airtime value will be increased by one dollar. P2P provides ubiquity to the reloading process since any subscriber, be it prepaid or postpaid, can be a source or recipient of airtime value.

B2P enables dealers or agents to sell airtime to individual consumers. Key to enabling B2P transactions is the phone's link to one or more accounts that can hold airtime value and yet remain unaffected by normal phone usage. For the purposes of this document, this account is called commerce account. B2P provides ubiquity to the reloading process since anyone with a commerce account can be a dealer or agent.

B2B enables dealers or agents to sell to other agents and dealers. Like B2P, the key to enabling B2B transactions is the phone's link to one or more accounts that can hold airtime value and yet remain unaffected by normal phone usage. B2B provides ubiquity to the reloading process since anyone with a commerce account can be a distributor of airtime to any dealer or agent.

Description of Drawings

Figure 1 is describes the P2P process. Subscriber A sends airtime value to subscriber B. The line account of subscriber A is debited while line account of B is credited with the same amount. The transaction is internally effected within the carrier's billing system. Both subscribers are notified of the status of the transaction and amount of new balances.

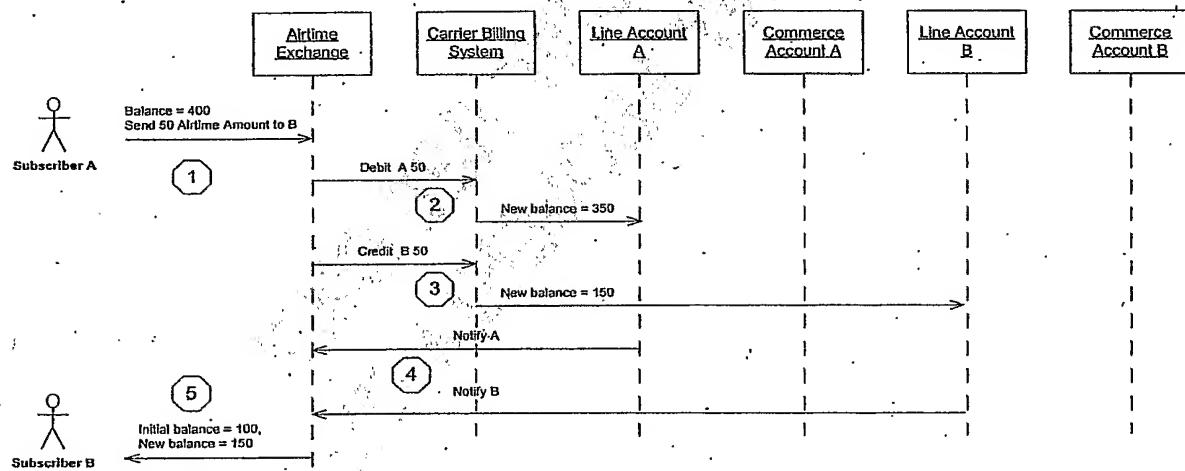


Figure 1 - P2P

Figure 2 describes the B2P process. Subscriber A is a dealer with a Commerce Account A. Subscriber A sells airtime value to Subscriber B. Subscriber A's Commerce Account is debited while Subscriber B's line account is credited within the carrier's billing system. Both subscribers are notified of the status of the transaction and amount of new balances.

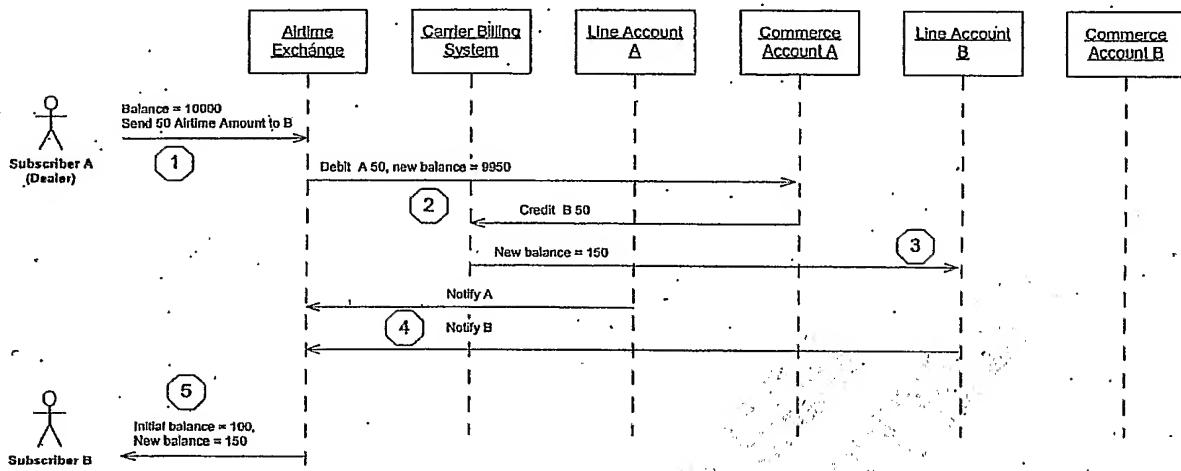


Figure 2 - B2P

Figure 3 describes the B2B process. Subscriber A is a dealer with a Commerce Account A. Subscriber B is also a dealer with Commerce Account B. A sells airtime value to Subscriber B. Subscriber A's Commerce Account is debited and Subscriber B's Commerce Account is credited the same amount. Both subscribers are notified of the status of the transaction and amount of new balances.

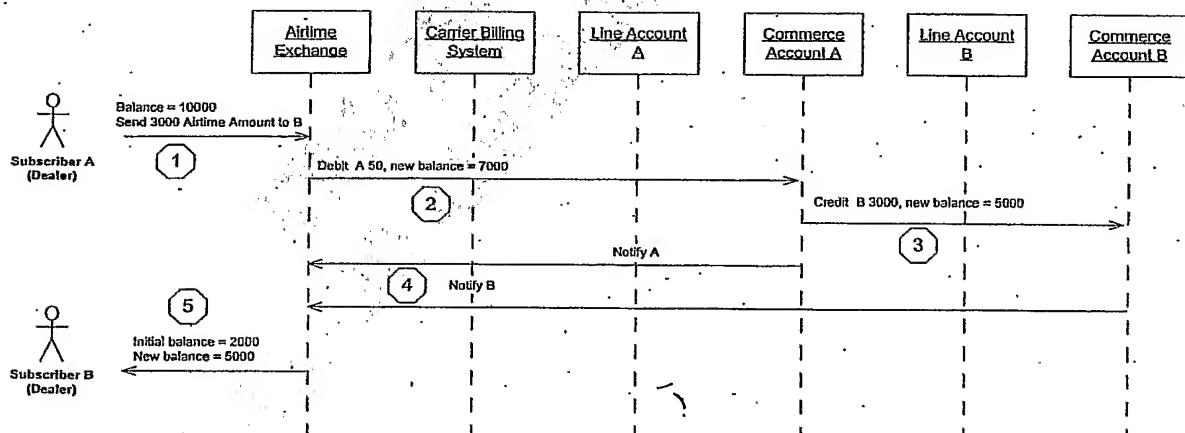


Figure 3 - B2B

Claims:

1. A facility to exchange airtime values.
2. A facility that utilizes an account, called commerce account, linked to a mobile phone for storing airtime value that is not attached to the phone's line account.
3. A security PIN for verifying sender identity.
4. A system that enables trading of airtime for commercial means between individuals, businesses and individuals and businesses to businesses.
5. An implementation of P2P, B2P or B2C and B2B transaction models for airtime exchange.

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RECEIVED BY:



EDUARDO MARTINEZ-MIRANDA
Inventor